GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:95
ANSWERED ON:28.07.2000
ITEMS FREED FROM IMPORT EXPORT LICENSING RESTRICTIONS
N.N. KRISHNADAS;RAMSHETH THAKUR

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) Whether the government have freed certain items from import/export licensing restrictions:

(b) if so, the details of items which are in the list of free imports/exports, separately;

(c) whether the recent decision to free 714 items from import licensing restrictions is a part of country`s obligation towards W.T.O;

(d) whether due to this decision the import of these items have increased suddenly;

(e) if so, whether the domestic industries as well as Directorate of Anti-Dumping are facing lot of difficulties as a result thereof; and

(f) if so, the measures being taken by the Government to save Indian farmers and domestic industries from adverse impact of the said decision as well as to reduce the over burden on Directorate of Anti- Dumping?

Answer

MINISTER OF COMMERCE & INDUSTRY (SHRI MURASOLI MARAN)

(a) to (f) A statement is laid on the Table of the House.

STATEMENT REFRRED TO IN REPLY TO PARTS (a) to (f) OF LOK SABHA STARRED QUESTION NO. 95 TO BE ANSWERED ON 28.07.2000.

India has been following a continuous policy of removal of restrictions on imports since 1991. Tariff line- wise import policy was first announced on 31.3.1996. As on that date, imports of 6161 tariff lines out of the total number of 10202 tariff lines were free. Import restrictions on 488 tariff lines were removed during the period 1.4.96 to 31.3.97. Another 391 tariff lines were freed during the period 1.4.97 to 13.4.98 and 894 tariff lines were freed on 1.4.99. Recently, import restrictions on 714 tariff lines were removed on 31.03.2000. Details of the items allowed to be imported freely are published in the book titled ` ITC (HS) Classifications of Export and Import Items`. Copies of this book are available in the Parliament Library. It is seen from the import data for the period 1993 -94 to 1998-99, that freeing of imports during this period has not had any significant impact on the average rate of growth of imports. However, Government is absolutely determined to ensure, through appropriate use of the tariff mechanism, that imports do not cause any serious detriment or injury to the domestic industry. Towards that end, Government has increased duties on a number of items where a surge in imports was noticed or apprehended. For example, the duty on arecanut has been raised to 100%, on poultry products to 100%, on wheat to 50%, on skimmed milk powder to 60%, on apple to 50%, on edible oils to 35% and on rice to 80%. India`s tariff bindings at W.T.O. for most of the agricultural items are fairly high and effective rates of customs duties can be raised to those levels, in case there is any evidence of substantial increase in imports. Directorate General of Anti-dumping and Allied Duties in the Department of Commerce is not facing any kind of difficulty as a result of removal of import restrictions on 714 items.